

To the Members of the California State Assembly:

I am returning Assembly Bill 124 without my signature.

This bill allows the State Allocation Board to consider for the Bret Harte Union School District only, eligible project costs previously incurred on a facility project as a credit toward meeting their local matching funds requirement for school lease purchase program (LPP) funds, if costs were incurred and paid by January 1, 1999.

While I respect the author's intent to provide a benefit to the school district, it is inappropriate and inconsistent with the statutes outlining the LPP Joint Use Program to use these funds in this manner. I am vetoing this measure because it sets an inappropriate precedent of allowing a project to receive retroactive eligibility. I do not believe it is fair to provide one school district preferential funding treatment when other districts may have built projects under the same circumstances. Finally, this bill would create funding pressure on existing bond funds and potentially displace future eligible school construction projects.

For these reasons, I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger